

ARIZONA **BINGO REVIEW**

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That's the Law

We know how important players are to you and that you try to keep them happy so they will continue coming to your games. However, there are some instances when you might have to disappoint them in order to stay in compliance with the law. One such instance is when a player fails to announce bingo prior to the start of the next ball called. If the player does not announce **BINGO** before the caller initiates the next call, they lose. That's the law: R15-7-209.D.

Another instance is when the caller has made an error and the player calls bingo on an

erroneous call. This usually occurs when a player is slow to announce the "Bingo". A worker hears the **BINGO** before the next call is initiated but the caller didn't and calls the next number. In this case the player who announced bingo first and was heard by the worker, wins. That's the law: R15-7-209.D.

Since these are the two complaints we receive most often, you may want to consider announcing this prior to the start of your occasions or post a notice to the affect. This may help to avoid hard feelings should this ever occur during one of your games.

Verification Records

Verification records are forms supplied by the Department for licensees to record the date an occasion is played, the amount of card and supply sales, inducements values, and their adjusted gross receipts from that occasion.

Class A licensees are not required to maintain the Verification Record form supplied by the Department; however, Class B and C licensees are. Administrative Rule R15-7-225 requires that all licensees maintain an accurate account of the gross

receipts they receive from each occasion. Each licensee has their own distinct and unique way of accounting for their gross receipts internally. To account for these differences the Department has required Class B and C licensees to complete the Verification Record form we supply. This creates uniformity among the Class B and C licensees for reporting purposes and enables our auditors to complete their audits in a timelier manner.

Verification Records

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Verification Records

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Without this form, the auditors have to spend additional time learning your record keeping system. For this reason it is extremely important that the Verification Record form is fully completed and accurately filled out. If you are having difficulty with this form, please contact us for assistance.

Class A Game Expenses Taxable

Several Class A licensees have commented on having to pay bingo tax out of their own pocket. Class A licensees are taxed on their adjusted gross receipts; gross receipts less prize amounts. The law allows Class A licensees to deduct their prize amounts before calculating the tax due. If a Class A licensee chooses to return all of their gross receipts to their players as prizes, there is no bingo tax due. Their adjusted gross receipts are zero. However, if they choose to pay for bingo cards, supplies and the annual license renewal, etc. from their bingo receipts, the amounts they spend are taxable. These amounts are considered profit from your games and taxable by state law, A.R.S. § 5-407(I).

Seasonal Workshops A Success

The Department has received overwhelming support for continuing our seasonal workshops. For the first time in several years we conducted workshops in Apache Junction and the Phoenix Metro areas. In November, Sam Martin conducted the first workshops in two years in Yuma and Mohave Counties. From the Customer Satisfaction Surveys you are returning to us, our workshops have generated a great deal of interest. We designed them to cover the basics; the legalities of conducting a bingo occasion and an explanation of the bingo rules governing how the games will be played. Everyone who has

attended one of our workshops has expressed their appreciation for the opportunity to ask questions that probably would not have been asked.

If you did not attend any of our workshops this year, please plan to do so next year. We will be offering workshops in June and July for licensees in the mountain areas. For the desert dwellers, we plan to offer workshops in October and November. If these months do not work well with your schedule, please contact us for other arrangements.

Ten Helpful Hints

Here is a list of the 10 most common things you need to know that will make your job easier.

1. Only the Proceeds Coordinator can sign the financial report, no exceptions. The financial report no longer needs to be notarized.
2. Licensees can not make any checks payable to their lodge, post, organization, or themselves. All checks written on your bingo account for purchases of goods and services must be made payable to a vendor.
3. Just because you have a bingo license and open your doors to the public doesn't mean you have to let someone abuse you. You have the right to ask them to leave and not come back.
4. A bingo supervisor **MUST BE PRESENT** throughout the entire bingo occasion, **NO EXCEPTIONS!**
5. You must have a notarized affidavit on file for everyone working bingo. With one exception, Class A licensees do not need affidavits for assistants.
6. Special Bonus Game authorizations must be renewed every year at the same time your license is renewed.
7. Class A workers may work a bingo occasion and play at the same time. Class B and C workers cannot.

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8. Put your license number on EVERYTHING you send us.
 9. All bingo workers receiving compensation MUST have an affidavit on file and they can only be paid from the bingo account.
 10. Please be sure to respond to discrepancy letters promptly. Failure to do so may result in disciplinary action against your license.
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Progress Made in Rules Review

DOR has completed a draft of the proposed rule changes and has submitted it to the Uniformity Committee for approval. Once the rules are approved, we will send a copy of the proposed new rules to every licensee for their informal comments. We expect this to be sometime in the spring of 2002.

Once the informal comments are in, we will evaluate them and respond to the people concerned. When this is completed, the rules will be published with the Secretary of State's Office and a formal public hearing on the rules will be scheduled, probably in the summer of 2002.

After this hearing we will review the written comments and summarize them in a final rulemaking package. We will respond in writing to anyone with written comments. The package is then submitted to the Governor's Review and Regulatory Commission who reviews the legality and standards of the proposed new rules. Having met their approval, the Secretary of State's Office will publish the Notice of Final Rulemaking.

That is a brief description of the rule making process. A conservative estimate on a completion date is probably mid to late summer. At that time a copy of the new rules will be sent to every licensee. We are making progress on instituting changes that have been requested by Bingo licensees.

TDD Numbers

The Department of Revenue has a Telecommunication Device for the Deaf (TDD) which can be used by the hearing impaired. The TDD numbers are:

(602) 542-4021 and the toll free number is 1-800-397-0256

The TDD is located in the Phoenix office, Taxpayer Information and Assistance (TIA) area. The telephone can be used for general tax information, business licenses, and for Bingo information. If you need to speak with someone in Bingo office on the TDD, please call and leave your name and phone number. A Bingo representative will call you back on the TDD.

Wild Numbers

Several licensees have raised questions on using "Wild Numbers" in their games. "Wild Number Bingo" is defined by R15-7-201 (12): *"Wild Number Bingo" means games of bingo where the first ball drawn from the receptacle is used to determine all wild numbers for a single game, and in which all wild numbers are marked on the players' bingo cards prior to any other bingo balls being called.*"

Points to remember if you play "Wild Card Bingo":

- You do not have to call a ball when it is pulled if it is a wild number. All wild numbers are considered called at the very beginning of the game when the wild number is identified. However, in order to eliminate complaints, you may want to announce to the players that the number pulled was a wild number.
- Put the number on the master board after it is called.
- If you call a wild number, it does not count as the last ball called. The last ball called before a wild number is considered valid until you call another non-wild number.